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DEPARTMENT FOR NEA/FO; NEA/ARP/BMCGOVERN

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SUBJECT: LABOR STRIKES RETURN TO DUBAI

REF: A. A) 07 DUBAI 179
[1](#)B. B) 06 DUBAI 1842

[1](#)1. (SBU) Summary: An impromptu labor strike on August 31 surprised a city known for its disproportionately large, but generally quiet expat unskilled labor force. Approximately 1200 laborers from Al Habtoor Engineering Enterprises took to the streets in protest of low pay and restricted access to overtime hours. The protest, which lasted only a few hours, took place in several locations throughout Dubai. Dubai Police and Ministry of Labor officials responded immediately to disperse the demonstrations peacefully. This is the first reported strike in Dubai since the financial crisis hit the city last year. End Summary.

[1](#)2. (SBU) On August 31, approximately 1200 laborers employed by Al Habtoor Engineering, best known in Dubai for constructing the iconic Burj al-Arab and Jumeirah Beach Hotel, gathered simultaneously at three separate public locations in the city, disrupting traffic and drawing a rapid response from Dubai police and labor officials. Colonel Hamad Al Mansouri, head of the Emergency Department at the Dubai Police, told emboff that the "gatherings" were peaceful, although unexpected, with neither injuries nor property damage. Al Mansouri was reluctant to discuss the demands of the workers, but shared his understanding that they were demanding restoration of overtime work hours and improved wages. One worker quoted in local press reporting stated that while "senior" workers typically receive about USD 260 per month, junior laborers receive a monthly salary of less than USD 200 per month, insufficient to cover the increased cost of living in Dubai and therefore leaving nothing to send home to families in the sending country.

[1](#)3. (SBU) In the wake of the protests, Al Habtoor Engineering and its laborers have entered into informal negotiations. According to Al Habtoor's Managing Director David Savage, half of the employees returned to work on September 2, while the rest are expected to go back on September 3. The Acting Director General of the UAE Ministry of Labor Humaid Bin Deemas was quoted in the UAE press that Al Habtoor is meeting its labor obligations and has been "paying the wages of workers without delay or deductions, and remained committed to provision of labor housing as per the accepted standards, as well as the healthcare and other services specified by the labor law as mandatory."

[1](#)4. (SBU) Labor strikes are illegal in the UAE and authorities have in the past responded through arrests, jail time, and deportations (Ref A). Since September 2005, there have been only periodic labor strikes, usually ranging from 2000-7000 workers demanding higher pay and better living conditions. The most well-known labor protest occurred in March 2006 (Ref B) at

the "Burj Dubai" construction site where workers damaged vehicles and other equipment on site. More recently, in February 2008, 45 Indian workers were sentenced to six months in jail followed by deportation for violent protests. The workers were found guilty of endangering public security, damaging properties, and inciting other workers to strike.

15. (SBU) Comment: UAE officials consider labor protests a national security issue capable of endangering the fine balance that exists between a minority UAE citizen population (between 5 and 10 percent in Dubai) and a much larger expatriate population, the great majority of whom are lower-wage workers from South Asia. They therefore take the issue of strikes very seriously. Likely in an effort to keep a low-profile and avoid negative press, UAE officials prefer to stop all strikes in a peaceful manner - and with minimal press coverage - rather than assert authority forcefully. That said, the consequences for workers who engage in protests (loss of job, deportation, jail on rare occasion) are significant. That laborers are willing to risk such consequences, especially during an economic downturn, indicates the level of frustration over their compensation and living conditions. End Comment.

SIBERELL